ORDINANCE 947B

AN ORDINANCE OF THE CITY OF LINCOLN ORDINANCE AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

WHEREAS, the City has evaluated the financial feasibility, assessed risk, and provided due diligence for a community choice aggregation ("CCA") program in the City under the provisions of the Public Utilities Code section 366.2. The financial feasibility, assessed risk, and due diligence indicates that implementing a community choice aggregation program would provide multiple benefits including:

- Providing ratepayer choice of electrical service providers; and
- Increasing local control and involvement in and collaboration on electric rates and other energy-related matters; and
- · Providing more stable and competitive long-term electric rates; and
- Optimizing local energy resources for local use; and
- Increasing local renewable generation capacity; and
- Increasing and optimizing energy efficiency and conservation projects and programs, including the mPOWER program, and becoming a Program Administrator for the local public goods charged collected in Placer County; and
- Increasing local energy independence; and
- Increasing local economic benefit derived from the optimization of local energy resources, energy conservation and efficiency projects, and local investment; and
- Reducing greenhouse gas emissions from electricity consumption in the City; and

WHEREAS, the City proposes enter into a Joint Powers Agreement creating a Community Choice Aggregation energy authority ("Authority"). Under Joint Powers Agreements, cities and towns within Placer County, and the County may participate in the CCA program by adopting a resolution related to the creation of an Authority and ordinance required by Public Utilities Code section 366.2; and

WHEREAS, the Authority will enter into Agreements with electric power suppliers and other service providers, and based upon those Agreements, the Authority will be able to provide power to residents and business at rates that are competitive. Upon approval by the California Public Utilities Commission of the implementation plan created by the Authority, the Authority will provide service to ratepayers within the unincorporated area of Placer County, the incorporated area of the City, and within the jurisdiction of the other cities who have chosen to participate in the CCA program; and

WHEREAS, under Public Utilities Code section 366.2, ratepayers have the right to opt-out of a CCA program and to continue to receive service from the incumbent utility. Ratepayers who wish to continue to receive service from the incumbent utility will be able to do so; and

WHEREAS, on June 27, 2017 the City Council held a public hearing at which time interested persons had an opportunity to comment on implementation of a CCA program in the incorporated area of the City; and

WHEREAS, this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, as it is not a "project", as it has no potential to result in a direct or reasonable foreseeable indirect physical change to the environment. (14 Cal. Code Regs. § 15378(a)). Further, the ordinance is exempt from CEQA, as there is no possibility that the ordinance or its implementation would have a significant effect on the environment. (14 Cal. Code Regs. § 15061 (b)(3)). The City Clerk shall cause a Notice of Exemption to be filed as authorized by CEQA and the CEQA guidelines.

NOW, THEREFORE, the City Council of the City of Lincoln does ordain as follows:

SECTION 1. The City Council has investigated options to provide electric services to ratepayers within the incorporated area of the City, with the intent of achieving: greater local control and involvement over the provision of electric services, competitive electric rates, the development of local, clean, and renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs; and hereby incorporates the findings set forth in the recitals above.

SECTION 2. Authorization to Implement a Community Choice Aggregation Program Based upon the forgoing, and in order to provide business and residents within the incorporated area of the City with a choice of power providers and with the benefits described above, the Lincoln City Council shall implement a community choice aggregation program within the jurisdiction of the incorporated area of the City of Lincoln by participating as a group with other cities and towns as generally described above in a Community Choice Aggregation Joint Powers Agreement.

SECTION 3. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance for any reason shall be held to be invalid or unconstitutional, the decision shall not affect the remaining portions of the Ordinance. The Council of the City of Lincoln hereby declares that it would have passed this Ordinance and each article, section, subsection, paragraph, sentence, clause or phrase which is a part thereof, irrespective of the fact that any one or more articles, sections, subsections, paragraphs, sentences, clauses or phrases are declared to be invalid or unconstitutional.

SECTION 4. This Ordinance shall become effective thirty (30) days after its adoption and within fifteen (15) days of the passage of this Ordinance, a copy shall be published once in the News Messenger, a newspaper of general circulation in the City.

The following Ordinance was duly passed by the Lincoln City Council at a regular meeting held July 11, 2017, by the following vote on roll call:

Pda Stiert

Shuendolyn Scanlon

AYES: COUNCILMEMBERS: Karleskint, Joiner, Gilbert

NOES: COUNCILMEMBERS: Hydrick, Nader

ABSENT: COUNCILMEMBERS: None

Signed: Peter Gilbert, Mayor

ATTEST: Gwendolyn Scanlon, City Clerk